

Introduced by Senator Margett

February 22, 2006

An act to add Section 1788.19 to the Civil Code, relating to debt collection.

LEGISLATIVE COUNSEL'S DIGEST

SB 1406, as introduced, Margett. Debt collection: notices.

Existing law permits a creditor to submit negative credit information to a consumer credit reporting agency only after providing the affected consumer a written notice regarding this negative information. Existing law regulates the activities of debt collectors, as specified.

This bill would require a debt collector, when submitting negative information to a consumer credit reporting agency, to verify that the address to which the debt collector sends notice of the negative information is substantially the same as the address associated with the consumer's credit report. If the address for notifying the consumer is not substantially the same as the address associated with consumer's credit report, the bill would require the debt collector to send notice of the negative information to both addresses.

Vote: majority. Appropriation: no. Fiscal committee: no.
State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 1788.19 is added to the Civil Code, to
- 2 read:
- 3 1788.19. When a debt collector submits negative information
- 4 to a consumer credit reporting agency pursuant to Section
- 5 1785.26, the debt collector shall verify that the address to which
- 6 the debt collector sends notice of the negative information to the

1 consumer is substantially the same as the address associated with
2 the consumer's credit report. If the address for notifying the
3 consumer is not substantially the same as the address associated
4 with consumer's credit report, the debt collector shall send notice
5 of the negative information to both addresses.

O